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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/813,260	03/31/2004	Paul A. Thomas	05997.0013-0300	5447
22852 7590 12/28/2007 FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER LLP 901 NEW YORK AVENUE, NW WASHINGTON, DC 20001-4413			EXAMINER NORMAN, SAMICA L	
			ART UNIT 3694	PAPER NUMBER
			MAIL DATE 12/28/2007	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/813,260

Applicant(s)

THOMAS ET AL.

Examiner

Samica L. Norman

Art Unit

3694

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 31 March 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-15, 28 and 29 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-15, 28 and 29 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 31 March 2004 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Election/Restrictions

1. Restriction to one of the following inventions is required under 35 U.S.C. 121:
 - I. Claims 1-15, 28, 29, drawn to Invention I, classified in class 705, subclass 38.
 - II. Claims 16-27, drawn to Invention II, classified in class 705, subclass 38.
 - III. Claims 30-31, drawn to Invention III, classified in class 705, subclass 38.
 - IV. Claims 32-33, drawn to Invention IV, classified in class 705, subclass 38.

The inventions are distinct, each from the other because of the following reasons:

2. Inventions I and II are related as combination and subcombination. Inventions in this relationship are distinct if it can be shown that (1) the combination as claimed does not require the particulars of the subcombination as claimed for patentability, and (2) that the subcombination has utility by itself or in other combinations (MPEP § 806.05(c)). In the instant case, the combination as claimed does not require the particulars of the subcombination as claimed because Invention I relates to reducing capital required to be held in connection with a subject pool of loans. The subcombination has separate utility such as Invention II comprises the additional steps of: guaranteeing a portion of risk for the subject pool, based on the risk rating, monitoring performance of the subject pool to determine any guarantee obligations and conveying funds based on any determined guarantee obligations an the monitored performance.
3. The examiner has required restriction between combination and subcombination inventions. Where applicant elects a subcombination, and claims thereto are subsequently found allowable, any claim(s) depending from or otherwise requiring all the limitations of the

allowable subcombination will be examined for patentability in accordance with 37 CFR 1.104.

See MPEP § 821.04(a). Applicant is advised that if any claim presented in a continuation or divisional application is anticipated by, or includes all the limitations of, a claim that is allowable in the present application, such claim may be subject to provisional statutory and/or nonstatutory double patenting rejections over the claims of the instant application.

4. Inventions II and III are related as combination and subcombination. Inventions in this relationship are distinct if it can be shown that (1) the combination as claimed does not require the particulars of the subcombination as claimed for patentability, and (2) that the subcombination has utility by itself or in other combinations (MPEP § 806.05(c)). In the instant case, the combination as claimed does not require the particulars of the subcombination as claimed because Invention II comprises the additional steps of: guaranteeing a portion of risk for the subject pool, based on the risk rating, monitoring performance of the subject pool to determine any guarantee obligations and conveying funds based on any determined guarantee obligations an the monitored performance. The subcombination has separate utility such as Invention III comprising the additional step of retaining a portion of risk for the subject pool, based on the difference between the risk rating of the assets in the subject pool and the assets in the reference pool.

5. The examiner has required restriction between combination and subcombination inventions. Where applicant elects a subcombination, and claims thereto are subsequently found allowable, any claim(s) depending from or otherwise requiring all the limitations of the allowable subcombination will be examined for patentability in accordance with 37 CFR 1.104. See MPEP § 821.04(a). Applicant is advised that if any claim presented in a continuation or

divisional application is anticipated by, or includes all the limitations of, a claim that is allowable in the present application, such claim may be subject to provisional statutory and/or nonstatutory double patenting rejections over the claims of the instant application.

6. Inventions III and IV are related as combination and subcombination. Inventions in this relationship are distinct if it can be shown that (1) the combination as claimed does not require the particulars of the subcombination as claimed for patentability, and (2) that the subcombination has utility by itself or in other combinations (MPEP § 806.05(c)). In the instant case, the combination as claimed does not require the particulars of the subcombination as claimed because comprising the additional step of retaining a portion of risk for the subject pool, based on the difference between the risk rating of the assets in the subject pool and the assets in the reference pool. The subcombination has separate utility such as Invention IV has the additional step of obtaining a risk rating of a delta between the risk rating of the assets in the subject pool and the assets in the reference pool.

7. The examiner has required restriction between combination and subcombination inventions. Where applicant elects a subcombination, and claims thereto are subsequently found allowable, any claim(s) depending from or otherwise requiring all the limitations of the allowable subcombination will be examined for patentability in accordance with 37 CFR 1.104. See MPEP § 821.04(a). Applicant is advised that if any claim presented in a continuation or divisional application is anticipated by, or includes all the limitations of, a claim that is allowable in the present application, such claim may be subject to provisional statutory and/or nonstatutory double patenting rejections over the claims of the instant application.

8. Because these inventions are distinct for the reasons given above and have acquired a separate status in the art because of their recognized divergent subject matter, and have also acquired a separate status in the art as shown by their different classification, restriction for examination purposes as indicated is proper.

9. During a telephone conversation with William Brogan on October 3, 2007 a provisional election was made without traverse to prosecute Invention I, claims 1-15, 28 and 29.

Affirmation of this election must be made by applicant in replying to this Office action. Claims 16-27 and 30-33 withdrawn from further consideration by the examiner, 37 CFR 1.142(b), as being drawn to a non-elected invention.

Claim Rejections - 35 USC § 112

10. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

11. Claims 2, 7, and 12 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

12. Regarding claims 2, 7, and 12. These claims recite the phrase "a party's portion." It is unclear as to what party is being referred to.

13. Claims 3, 8 and 13 contain the same deficiencies as claims 2, 7, and 12 through dependency and, as such, are rejected for the same reasons.

Claim Rejections - 35 USC § 101

14. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

15. Claims 11-15 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

16. In many instances it is clear within which of the enumerated categories a claimed invention falls. The question of whether a claim encompasses statutory subject matter should not focus on which of the four categories of subject matter a claim is directed to -- process, machine, manufacture, or composition of matter -- but rather on the essential characteristics of the subject matter, in particular, its practical utility. In the instant invention, the claimed subject matter is directed towards nonfunctional descriptive material. Nonfunctional descriptive material that does not constitute a statutory process, machine, manufacture, or composition of matter. Nonfunctional descriptive material may be claimed in combination with other functional descriptive multi-media material on a computer-readable medium to provide the necessary functional and structural interrelationship to satisfy the requirements of 35 U.S.C. 101.

Claim Rejections - 35 USC § 102

17. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

18. Claims 1-3, 5-8, 10-13, 15, 28 and 29 are rejected under 35 U.S.C. 102(e) as being anticipated by Ghani, “Plan for Bank-Capital Rules Spurs Doubts” (reference U on the attached PTO-892).

19. As per claim 1, Ghani teaches a method for reducing capital required to be held in connection with a subject pool of loans comprising: obtaining a credit risk rating of the loans in the subject pool (see paragraph 3); allocating credit risk for the subject pool, based on the credit risk rating (see paragraph 4); applying capital reserve requirements to the subject pool based on the credit risk rating and the allocated credit risk (see paragraph 5); and holding an amount of capital against the subject pool based on application of the capital reserve requirements (see paragraph 11).

20. As per claim 2, Ghani teaches the method of claim 1 as described above. Ghani further teaches wherein allocating credit risk for the subject pool further comprises: capping a party's portion of the credit risk at a maximum level (see paragraph 11).

21. As per claim 3, Ghani teaches the method of claim 2 as described above. Ghani further teaches wherein the maximum level is a percentage of the subject pool value (see paragraph 11).

22. As per claim 5, Ghani teaches the method of claim 4 as described above. Ghani further teaches wherein the credit risk rating includes a plurality of rating categories, and wherein assigning a portion of the credit risk for the subject pool further comprises: retaining a portion of credit risk on a category by category basis for each of a plurality of rating categories; and capping the portion of retained credit risk to a maximum level for each of the plurality of rating categories (see paragraph 11).

23. As per claim 6, Ghani teaches a system for reducing capital required to be held in connection with a subject pool of loans comprising: means for assisting in obtaining a credit risk rating of the loans in the subject pool (see paragraph 3); means for allocating credit risk for the subject pool, based on the credit risk rating (see paragraph 4); means for applying capital reserve requirements to the subject pool based on the credit risk rating and the allocated credit risk (see paragraph 5); means for holding an amount of capital against the subject pool based on application of the capital reserve requirements (see paragraph 11).

24. As per claim 7, Ghani teaches the system of claim 6 as described above. Ghani further teaches wherein the means for allocating credit risk for the subject pool further comprises: means for capping a party's portion of the credit risk to a maximum level (see paragraph 11).

25. As per claim 8, Ghani teaches the system of claim 7 as described above. Ghani further teaches wherein the maximum level is a percentage of the subject pool value (see paragraph 11).

26. As per claim 10, Ghani teaches the system of claim 9 as described above. Ghani further teaches wherein the credit risk rating includes a plurality of rating categories, and wherein the means for assigning a portion of credit risk for the subject pool further comprises: means for assigning the portion of credit risk on a category by category basis for each of a plurality of

rating categories; and means for capping the portion of assigned credit risk to a maximum level for each of the plurality of rating categories (see paragraph 11).

27. As per claim 11, Ghani teaches a computer program product for reducing capital required to be held in connection with a subject pool of loans including code for causing a processor to perform a process comprising: accessing data regarding a credit risk rating of the loans in the subject pool (see paragraph 3); accessing data regarding allocating credit risk for the subject pool, based on the credit risk rating (see paragraph 4); applying capital reserve requirements to the subject pool based on the credit risk rating and the allocated credit risk (see paragraph 5); presenting an indication of the amount of capital held in connection with the subject pool based on application of the capital reserve requirements (see paragraph 11).

28. As per claim 12, Ghani teaches the product of claim 11 as described above. Ghani further teaches wherein accessing data regarding allocating credit risk for the subject pool further comprises: accessing data regarding capping a party's portion of the credit risk to a maximum level (see paragraph 11).

29. As per claim 13, Ghani teaches the product of claim 12 as described above. Ghani further teaches wherein the maximum level is a percentage of the subject pool value (see paragraph 11).

30. As per claim 15, Ghani teaches the product of claim 14 as described above. Ghani further teaches wherein the credit risk rating includes a plurality of rating categories, and wherein an assigned portion of the credit risk applies on a category by category basis for each of a plurality of rating categories, and the assigned portion of credit risk is capped to a maximum level for each of the plurality of rating categories (see paragraph 11).

31. As per claim 28, Ghani teaches a method for reducing capital required to be held in connection with a subject pool of assets comprising: obtaining a risk rating of the assets in the subject pool (see paragraph 3); retaining a portion of risk for the subject pool, based on the risk rating (see paragraph 4); applying capital reserve requirements to the subject pool based on the risk rating and the retained portion of risk(see paragraph 5); determining an amount of capital to hold in reserve in connection with the subject pool based on application of the capital reserve requirements (paragraph 11); and presenting the determined amount of capital (see paragraph 11).

32. As per claim 29, Ghani teaches a system for reducing capital required to be held in connection with a subject pool of assets comprising: means for obtaining a risk rating of the assets in the subject pool (see paragraph 3);means for retaining a portion of risk for the subject pool, based on the risk rating (see paragraph 4);means for applying capital reserve requirements to the subject pool based on the risk rating and the retained portion of risk (see paragraph 5); means for determining an amount of capital to hold in reserve in connection with the subject pool based on application of the capital reserve requirements (paragraph 11); and means for presenting the determined amount of capital (see paragraph 11).

Claim Rejections - 35 USC § 103

33. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are

such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

34. Claims 4, 9 and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ghani, "Plan for Bank-Capital Rules Spurs Doubts" (reference U on the attached PTO-892).

35. As per claim 4, Ghani teaches the method of claim 1 as described above. Ghani does not explicitly teach wherein allocating credit risk for the subject pool comprises: assigning a portion of the credit risk for the subject pool to a first party; and assigning a remaining portion of the credit risk to a second party. However, the assignment of portions of the credit risk does not relate back to or clarifies what is required by the claims. The wherein clauses of claim 4 merely states the result of a limitation in the claims and is therefore given little patentable weight. *See Texas Instruments Inc. v. International Trade Commission*, 26 USPQ2d 1010 (Fed. Cir. 1993); *Griffin v. Bertina*, 62 USPQ2d 1431 (Fed. Cir. 2002); *Amazon.com Inc. v. Barnesandnoble.com Inc.*, 57 USPQ2d 1747 (Fed. Cir. 2001).

36. As per claim 9, Ghani teaches the system of claim 6 as described above. Ghani does not explicitly teach wherein the means for allocating credit risk for the subject pool comprises: means for assigning a portion of the credit risk for the subject pool to a first party; and means for assigning a remaining portion of the credit risk to a second party. However, the assignment of portions of the credit risk does not relate back to or clarifies what is required by the claims. The wherein clauses of claim 6 merely states the result of a limitation in the claims and is therefore given little patentable weight. *See Texas Instruments Inc. v. International Trade Commission*, 26 USPQ2d 1010 (Fed. Cir. 1993); *Griffin v. Bertina*, 62 USPQ2d 1431 (Fed. Cir. 2002); *Amazon.com Inc. v. Barnesandnoble.com Inc.*, 57 USPQ2d 1747 (Fed. Cir. 2001).

37. As per claim 14, Ghani teaches the product of claim 11 as described above. Ghani does not explicitly teach wherein accessing data regarding allocating credit risk for the subject pool comprises: accessing data regarding assigning a portion of the credit risk for the subject pool to a first party; and accessing data regarding assigning a remaining portion of the credit risk to a second party. However, the assignment of portions of the credit risk does not relate back to or clarifies what is required by the claims. The wherein clauses of claim 14 merely states the result of a limitation in the claims and is therefore given little patentable weight. *See Texas Instruments Inc. v. International Trade Commission*, 26 USPQ2d 1010 (Fed. Cir. 1993); *Griffin v. Bertina*, 62 USPQ2d 1431 (Fed. Cir. 2002); *Amazon.com Inc. v. Barnesandnoble.com Inc.*, 57 USPQ2d 1747 (Fed. Cir. 2001).

Conclusion

38. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Seiberg, "Risk-Indexed Capital Rules Proposed by Global Panel" (reference V on the attached PTO-892), teaches basing regulatory capital on the creditworthiness of a bank's borrowers as determined by rating agencies.

39. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Samica L. Norman whose telephone number is (571) 270-1371. The examiner can normally be reached on Mon-Thur 6:30a-4p, w/ 1st Fri off & 2nd 6:30a-3p.


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40. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

41. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

sln


J. A. GOLBERT
PRIMARY EXAMINER